

CHECKLIST FOR REVIEW OF
INDIVIDUAL FINANCIAL AUDITS

OIG UNDER
REVIEW _____

NAME OF AUDIT
CONTROL NO. _____

NAME DATE

REVIEWER(S) _____

DATE
COMPLETED _____

Introduction

Financial Statement Audits

Except for item 12.1, this checklist is designed to check compliance with internal control policies and procedures and *Government Auditing Standards* in the conduct of financial statement audits. Item 12.1 pertains to financial related audits. The checklist includes review items pertaining to requirements for audits conducted under the CFOs Act. If the review team selects other financial statement audits to review, the items that are unique to CFOs Act audits should be checked N/A.

Some checklist items refer to the completion of “quality control checklists or other forms”. These items are only applicable if the OIG’s policies and procedures provide for the completion of such checklists or forms. If the OIG’s policies and procedures do not provide for these types of quality control tools, the checklist items should be checked “N/A”. (However, the review team should consider the lack of quality control tools in evaluating the design of the internal quality control system.)

One of the checklist items pertains to the procedures performed and the evidence the OIG obtained to assure itself that the form and content of the financial statements met applicable accounting principles and requirements. If the review team finds no documentation that the OIG performed adequate procedures to obtain this assurance, it should report a finding. In this circumstance, the review team may want to review the financial statements for key items, to determine whether the lack of procedures by the OIG caused it to issue an inappropriate report on the financial statements. This checklist includes an optional attachment, *Financial Statement Presentation and Disclosure Checklist*, for use in such a review.

Financial Related Audits

Based on responses to the draft guide, OIGs appear to conduct few, if any, audits that are covered by the specific standards cited in GAS ¶4.39. Therefore, we did not prepare checklists for these audits. For other financial related audits, GAS ¶4.40 provides that auditors should follow the performance audit standards. If the review team selects a financial related audit to which one of the specific AICPA standards identified in GAS ¶4.39 applies, checklist 12.1 item provides for an overall conclusion about whether the standard was followed. However, the team may want to develop a more detailed checklist that is tailored to the applicable standard, as a tool to review the audit. If the team selects a financial related audit where none of the standards cited in GAS 4.39 applies, checklist item 12.1 advises the review team to use the performance audit checklist to review the audit.

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	Yes	No	N/A	Remarks and Findings
<u>1. STAFF QUALIFICATIONS</u>				
1.1				Did the auditors assigned to the audit collectively appear to possess adequate professional proficiency for the tasks required? (GAS 3.3)
1.2				Did the auditors assigned to the job meet the CPE requirements? (Note: If this was tested with an organizationwide sample (or field office-wide samples) using the checklist in Appendix B, this does not need to be tested here.) (GAS 3.6)
<u>2. INDEPENDENCE</u>				
2.1				Are the working papers free from indications of external or personal impairments to independence? (GAS 3.11-3.17)
2.2				If impairments are found to have existed, were the OIG's policies and procedures for handling such situations followed? (If the organization has no policies or procedures, did it nevertheless comply with the GAS requirement to either take the individuals whose independence was impaired off of the assignment or report the impairment in the scope section of the report?) (GAS 3.14)
<u>3. DUE PROFESSIONAL CARE</u>				
3.1				Did the auditors follow proper procedures when determining that an applicable standard was not to be followed? (GAS 3.29)
3.2				Did the auditors adequately document the determination that certain standards did not apply? (GAS 3.29)
<u>4. QUALITY CONTROL</u>				
4.1				Were the OIG's quality control procedures performed? (Independent referencing,

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concurring review, use of required checklists, forms, etc.?)

5. AUDIT PLANNING

5.1 Were the following matters considered in determining the nature, timing and extent of audit procedures, during the planning process: (AU 311.03, 326.12-20)

- a. Matters relating to the auditee's mission and the environment in which it operates?
- b. The auditee's accounting policies and procedures?
- c. The methods used by the auditee to process significant accounting information, including the use of service organizations, and the effect of electronic processing of information on the nature, timing and extent of audit procedures?
- d. Planned assessed level of control risk?
- e. Preliminary judgment about materiality levels for audit purposes?
- f. Financial statement items likely to require adjustment?
- g. Conditions that may require extension or modification of audit tests, such as the risk of material errors or irregularities or the existence of related party transactions?
- h. The nature of reports expected to be rendered (for example, a report on consolidating financial statements)?
- i. Follow-up on prior significant findings and recommendations that affect the current audit? (GAS 4.10-411)

Yes	No	N/A	Remarks and Findings

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	Yes	No	N/A	Remarks and Findings
5.2				Were analytical procedures applied to assist in determining the nature, extent and timing of audit procedures? (AU 329.01-06)
5.3				Did the OIG prepare an audit program that described in reasonable detail the procedures necessary to accomplish the audit objectives? (AU 311.05)
5.4				If changes to planned work were made during the audit, was the audit program updated? (AU 311.05))
5.5				Did the OIG auditor consider the procedures performed by the internal auditors, if any, in determining the nature, timing, and extent of his/her own audit procedures? (AU 322.01)
5.6				If the internal auditor's work affected the OIG auditor's procedures, was the competence and objectivity of the internal auditor considered? Did the OIG auditor examine evidence on a test basis and also perform tests of some of the work performed by the internal auditor? (AU 322.09-.26; GAS 3.37)
5.7				If the internal auditors provided direct assistance to the auditor, was work supervised and tested as appropriate, and were any judgments made those of the independent auditor? (AU 322.27)
5.8				If the OIG auditors used the work of another independent auditor, did the OIG perform procedures to provide a sufficient basis for that reliance, including: <ul style="list-style-type: none"> a. Inquiring about the professional reputation and standing of the other auditor? (AU 543.10) b. Obtaining representation from the other auditor regarding independence? (AU 543.10) c. If the audit report did not make reference to the work of the other auditor, were

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		Yes	No	N/A	Remarks and Findings
	additional steps performed to obtain satisfaction regarding the other auditor's examination? (AU 543.12)				
5.9	Were required quality control checklists or forms related to audit planning completed?				
<u>6. SUPERVISION</u>					
6.1	Does the level of instruction provided to the audit staff appear appropriate considering the knowledge and experience of the staff and complexity of the audit? (AU 311.11-12)				
6.2	Was supervisory involvement appropriately timed to provide for (1) adequate planning and, (2) the supervisor to be informed of significant problems encountered? (AU 311.11-311.14)				
6.3	Was the work of assistants reviewed, to monitor adherence to the audit plan, ensure that audit objectives were met and that the report was supported by the working papers? (AU 311.11-12)				
6.4	Were points raised by the supervisor(s) during the working paper reviews addressed by the auditor and subsequently cleared by the supervisor?				
6.5	Was the supervision documented in accordance with agency policy?				
6.6	Were required quality control checklists or forms related to supervision completed?				
<u>7. EVIDENCE AND WORKING PAPERS</u>					
7.1	Do the working papers document that the auditors obtained:				
	a. Sufficient, competent, and relevant evidence (including evidence regarding electronically processed information) to support findings, judgments, and				

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	Yes	No	N/A	Remarks and Findings
<p>conclusions in the report? (AU 326.01, 326.13-19); AT 100.36)</p> <p>b. Written representation about the validity of evidence obtained from officials of an audited entity? (AU 333.04)</p> <p>7.2 Do the working papers contain: (AU 339.03-05; GAS 4.36-37)</p> <p>a. The audit objectives, scope and methodology, including any sampling criteria used?</p> <p>b. Adequate documentation of the work performed to support the significant conclusions and judgments in the following key audit areas (If any of these areas are not key, check "N/A". Add any key areas that are not listed below.)</p> <p>(1) Fund Balance with Treasury?</p> <p>(2) Accounts Receivable?</p> <p>(3) Investments?</p> <p>(4) Credit Programs Receivables?</p> <p>(5) Inventory?</p> <p>(6) Property, Plant & Equipment?</p> <p>(7) Liabilities for Loan Guarantees?</p> <p>(8) Other Liabilities?</p> <p>(9) Revenues?</p> <p>(10) Expenses or Costs?</p> <p>c. All required quality control checklists and forms appropriately completed? (AU 339.05, GAS 4.37)</p> <p>7.3 Did the auditors complete a checklist or other quality control instrument required by agency</p>				

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	Yes	No	N/A	Remarks and Findings
<p>policies and procedures related to the financial statement presentation? (If so, the review team should test a sample of checklist items by tracing them to the financial statements. If not, is there documentation that the OIG performed other procedures to assure itself that the form and content of the financial statements was in accordance with applicable standards and requirements?</p> <p>7.4 Were any consultations with internal or external consultants/experts that should have been held in accordance with OIG policies and procedures held?</p> <p><u>8. INTERNAL CONTROLS</u></p> <p>8.1 Did the auditors obtain an understanding of internal control sufficient to plan the audit by performing procedures to understand the design of controls relevant to an audit of financial statements and whether they have been placed in operations? (AU 319.02)</p> <p>8.2 Did the auditors document their understanding of the internal control components (elements for pre-SAS 78 audits) obtained to plan the audit? (AU 319.44, 319A.26)</p> <p>8.3 Did the auditors also assess control risk? (AU 319.04)</p> <p>8.4 If control risk was assessed below the maximum, did the auditors perform tests of controls to determine if they were operating effectively. (AU 319.02-319.04; GAS 4.21-22)</p> <p>8.5 Did the auditors conduct sufficient tests of internal controls that were properly designed and placed in operation to justify an assessed level of control risk of low? (OMB 93-06, ¶6.a.2)</p> <p>8.6 Did the auditors obtain an understanding of and assess control risk relative to internal controls over the accounting for and recording of data</p>				

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		Yes	No	N/A	Remarks and Findings
that support reported performance measures? (OMB 93-06, ¶6.a.3)					
8.7	Did the auditor assess the entity's process for identifying and evaluating weaknesses required to be reported by the Federal Financial Managers' Financial Integrity Act and compare any material weaknesses and reportable conditions found in the audit with those reported in the entity's FMFIA report? (OMB 93-06, ¶6.a.5)				
8.8	Was the nature, timing and extent of work performed in this area sufficient to meet the audit objectives and support the conclusions in the report?				
<u>9. IRREGULARITIES, ILLEGAL ACTS, AND OTHER NONCOMPLIANCE</u>					
9.1	Did the auditors perform procedures to identify laws, regulations and other compliance requirements (e.g. provisions of contracts) that could have a direct and material effect on the financial statements? (AU 317.05, 316.05; GAS 4.12-15)				
9.2	Did the auditors assess the risk that errors, irregularities, illegal acts or other noncompliance may cause a material misstatement in the financial statements? (AU 316.05; GAS 4.30)				
9.3	Based on the risk assessment, did the auditors adequately test compliance with laws, regulations and other compliance requirements that were identified as having a direct and material effect on the financial statements? (AU 317.05, 316.05; GAS 4.12-15)				
9.4	If the auditors found indications of illegal acts or other noncompliance that could have a material indirect effect on the financial statements, did the auditors perform specific procedures to determine whether the illegal				

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	Yes	No	N/A	Remarks and Findings
acts or noncompliance occurred? (AU 317.07; GAS 4.12, 4.20)				
9.5 Did the auditors obtain legal counsel to interpret laws and regulations when appropriate? Review the report and working papers with particular attention to agency comments to determine if there were questions about legal and regulatory interpretations. (GAS 4.15)				
9.6 Did the auditors exercise due professional care in the pursuit of irregularities, illegal acts and other noncompliance to ensure that potential investigations or legal proceedings were not compromised? (GAS 4.16)				
9.7 Was the nature, timing and extent of work performed in this area sufficient to meet the audit objectives and support the conclusions in the report?				
<u>10. OTHER</u>				
10.1 Did the auditors obtain a management representation letter with the applicable elements required by AU 333.04?				
10.2 Did the auditors send a letter of inquiry to the entity's General Counsel concerning litigation, claims and assessments? (AU 337.06)				
10.3 Did the auditors perform analytical review procedures in the overall review stage of the audit to assist in assessing the conclusions reached and assessing overall financial statement presentation? (AU 329.22)				
10.4 Did the auditor perform procedures to ascertain whether subsequent events occurred that would require adjustments or disclosure to the financial statements, in order for them to be fairly presented? (AU 558.10-12)				
<u>11. REPORTING ON FINANCIAL STATEMENTS</u>				

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		Yes	No	N/A	Remarks and Findings
<p>Note: The reporting requirements below are categorized under the headings of "Financial Statements", "Compliance and Internal Control" and "Findings". This is not intended to imply that separate reports are required. These items can be combined into one or more reports.</p> <p><i>Financial Statements</i></p>					
11.1	<p>Does the auditor's report on the financial statements include the following elements: (AU 508.08; OMB 93-06; GAS 5.11)</p> <p>a. A title that includes the word "independent"?</p> <p>b. A statement that the financial statements identified in the report were audited?</p> <p>c. A statement that the financial statements are the responsibility of management and that the auditor's responsibility is to express an opinion on the financial statements based on his audit?</p> <p>d. A statement that the audit was conducted in accordance with generally accepted government auditing standards and OMB Circular 93-06?</p> <p>e. A statement that the standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement?</p> <p>f. A statement that an audit includes))</p> <p>(1) Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements?</p> <p>(2) Assessing the accounting principles used and significant estimates made by management?</p>				

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	Yes	No	N/A	Remarks and Findings
(3) Evaluating the overall financial statement presentation?				
g. A statement that the auditor believes that the audit provides a reasonable basis for his opinion?				
h. An opinion as to whether the principal statements were fairly presented respects in accordance with the appropriate basis of accounting?				
i. The appropriate signature?				
j. The date of the audit report?				
11.2 Does the report include the required explanatory language if any of the circumstances identified in AU 508.11 exist?				
11.3 If a qualified opinion was issued, are the reasons for the qualification described in a separate paragraph preceding the opinion paragraph? Does the opinion paragraph include appropriate qualifying language and a reference to the preceding paragraph? (AU 508.21)				
11.4 If an adverse opinion was issued, does the report include a separate paragraph, preceding the opinion paragraph, that includes all substantive reasons for the adverse opinion and, either a description of the effects of the subject matter of the adverse opinion on the financial statements, or a statement that the effects are not reasonably determinable? Does the opinion paragraph include appropriate language expressing the adverse opinion and include a reference to the preceding explanatory paragraph? (AU 508.58-60)				
11.5 If a disclaimer of opinion is issued, does the report include all substantive reasons for the disclaimer and is it worded appropriately? (AU 508.62-63)				
11.6 If an applicable standard was not followed, was the GAS conformance statement appropriately				

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	Yes	No	N/A	Remarks and Findings
<p>qualified? Did the report identify the standard that was not followed, the reason(s) why it was not followed, and the effect that not following the standard had on the audit results? (GAS 5.11)</p> <p><i>Compliance and Internal Control</i></p> <p>11.7 Did the report (or a separate report that is referenced in the report on the financial statements) describe the scope of the auditors testing of compliance and internal controls and present the results of those tests? (GAS 5.15-5.17)</p> <p>11.8 Did the report include a statement about whether the scope of testing provided sufficient evidence to support an opinion on compliance or internal control? (GAS 5.17)</p> <p><i>Findings</i></p> <p>11.9 Does the report include relevant information for:</p> <p style="padding-left: 20px;">a. All irregularities and illegal acts disclosed by the audit, except those that are clearly inconsequential? (GAS 5.16, 5.18)</p> <p style="padding-left: 20px;">b. Material other noncompliance? (GAS 5.16, 5.18)</p> <p style="padding-left: 20px;">c. Reportable conditions in internal control, including an identification of those that are individually, or in the aggregate, material weaknesses? (GAS 5.16, 5.26)</p> <p>11.10 Are material irregularities, illegal acts and other noncompliance presented in proper perspective including, where applicable, relating the instances identified to the universe and the number and dollar value of cases examined? (GAS 5.19)</p> <p>11.11 For material irregularities, illegal acts, noncompliance and reportable conditions does the report include the following when required by the audit objectives:</p>				

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	Yes	No	N/A	Remarks and Findings
a. The condition, cause, criteria, effect, conclusion, and recommendation? (GAS 5.19, 7.17-7.23)				
b. The views of responsible officials? (GAS 5.19, 7.38)				
c. Effective rebuttal of the auditee comments when the auditors didn't agree with them? (GAS 7.42)				
11.12 Does the report present information in a manner that is fair, complete, convincing, objective, and clear? (GAS 5.19, 7.50) In making judgments, concentrate on the presentation, rather than working paper support, which is evaluated under evidence.				
11.13 If appropriate, was the report annotated for restricted use (<u>i.e.</u> , because it contains proprietary or classified information or for other valid reasons) or alternatively, if such information was omitted from the report, does the report state the nature of the omitted information and cite the requirement that makes omission necessary? (GAS 5.29)				
<u>12. Financial Related Audits</u>				
12.1 Were other applicable standards followed in the audit? (Note: If the financial related audit was not covered by any of the standards cited in GAS 4.39-4.40, the GAS performance audit standards apply. The review team should use the performance audit review checklist when reviewing such financial-related audits.) (GAS 4.39-40)				

Financial Statement Presentation and Disclosure Checklist

Note: The completion of this checklist is not necessary when the auditors completed a similar checklist as part of the audit. If the auditors did not complete a similar checklist, and the review team saw no evidence to that the auditors reviewed the financial statements for conformance with requirements pertaining to financial statement form and content, the review team may want to complete all or part of this checklist to determine whether the lack of review caused the auditors to issue an inappropriate opinion on the financial statements.

This review checklist was adapted from the *Checklist for Reports Prepared Under the CFO Act*, published by the GAO (GAO/AIMD-12.19.5B, Section 1004 of the *Financial Audit Manual*). In determining what checklist items to include, we tried to limit it to items that (1) would be key items applicable to more than just a couple of agency's financial statements, and (2) would be easily discernable by the review team by reviewing the financial statements. If there are items in there that can't be discerned by reading the financial statements or with knowledge obtained when reviewing the audit working papers, they should be checked "N/A". Similarly, if the review team feels that some items are not important to the specific financial statement audit being reviewed, it should check "N/A" for those items. In some cases, review teams may want to supplement the checklist if it doesn't include key items that pertain to the specific financial statement audit under review.

Citations to OMB 94-01 refer to OMB Bulletin 94-01, *Form and Content*. The letter after the "94-01" refers to the appropriate appendix. Citations to SFFAS refer to Statements of Federal Financial Accounting Standards developed by the Federal Accounting Standards Advisory Board and issued OMB.

Statement of Financial Position

1. Do the principal statements include the following: (OMB 94-01B, p.3)
 - a. Statement of Financial Position?
 - b. Statement of Operations and Changes in Net Position?

Yes	No	N/A	Remarks and Findings

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	Yes	No	N/A	Remarks and Findings
c. Statement of Cash Flows (optional beginning with FY 97)?				
d. Statement of Budgetary Resources and Actual Expenses (optional beginning with FY(97)?				
2. Is comparative data from the prior year shown? (OMB 94-01C, Exhibit 1, p.7)				
3. Does the statement display assets, liabilities and net position? (OMB 94-01B, p.3)				
4. Are the following reported separately:				
a. Intergovernmental and government assets? (SFFAS 1, ¶18)				
b. Entity assets and nonentity assets? (SFFAS 1, ¶26)				
c. Liabilities covered by budgetary resources and liabilities not covered by budgetary resources? (SFFAS 1, ¶161)				
d. Intergovernmental liabilities and nongovernmental liabilities? (SFFAS 1, ¶21)				
5. Are cash and other monetary assets disclosed separately? (OMB 94-01C, pp. 21 and 46)				
6. Are nonentity cash and restricted cash reported separately and disclosed in a note? (SFFAS 1, ¶¶29-30)				
7. Is the Fund Balance with Treasury reported as an intragovernmental asset? (SFFAS 1, ¶31)				
8. Are restrictions related to future uses of fund balances disclosed? (SFFAS 1, ¶38)				
9. Are fund balances representing amounts (1) obligated but not yet disbursed and (2) unobligated, disclosed separately? (SFFAS 1, ¶37)				

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	Yes	No	N/A	Remarks and Findings
10. Are Fund Balances disclosed by fund type? (OMB 94-01C, p. 45, note 2A)				
11. Are Accounts Receivable reported and distinguished separately between those:				
a. Due from federal and non-federal entities? (SFFAS 1, ¶42; OMB 94-01C, p. 15, item 1a(3))				
b. Entity Accounts Receivable (amounts authorized by law to be included in obligational authority) and nonentity Accounts Receivable (amounts to be collected on behalf of other entities)? (SFFAS 1, ¶43; OMB 94-01C, p. 15, item 1a(3) & p. 50, note 5)				
12. Is an allowance for estimated uncollectible Accounts Receivables recognized to reduce the reported gross amount to net realizable value? (SFFAS 1, ¶45; OMB 94-01C, p.15, item 1 a(3) & note 5, p. 50)				
13. Are investments in Treasury Securities reported as an asset? (SFFAS 1, ¶62; OMB 94-01C, p. 3, item 1a(2))				
14. Is the market value of market-based and marketable securities disclosed? (SFFAS 1, ¶72; OMB 94-01C, p. 48, note 4)				
15. Is the method of valuing Investments in Treasury Securities described in a footnote disclosure? (OMB 94-01C, exhibit 1, note 1K, p. 5)				
16. Are the cost, market value, amortization method of premium and discount, amortized premium and discount, and the net investment amount disclosed in a note to the financial statements? (OMB 94-01C, p. 48, note 4)				
17. Is interest accrued on uncollectible accounts receivable disclosed? (SFFAS 1, ¶55; OMB 94-01C, p. 17, item 1b(4))				

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	Yes	No	N/A	Remarks and Findings
18. Is interest receivable which can be used by the entity reported separately from interest receivable which cannot be used by the entity? (OMB 94-01C, p. 15, item 1a(4))				
19. Is interest receivable from federal entities reported separately from interest receivable from nonfederal entities? (SFFAS 1, ¶56; OMB 94-01C, p. 15, item 1a(4))				
20. Are advances and prepayments reported as assets? (SFFAS 1, ¶59; OMB 94-01C, p. 3, item 1a(5))				
21. Are advances and prepayments paid out (assets) reported separately (not netted) from advances and prepayments received (liabilities) for reporting purposes? (SFFAS 1, ¶60)				
22. Are the nature and the basis of Loans Receivable described in footnote disclosure? (OMB 94-01C, exhibit 1, note 1I, p. 4)				
23. In the Statement of Financial Position, does the amount under "Credit Program and Related Property" include all assets and liabilities related to direct and guaranteed loans? (OMB 94-01C, note 7E, p. 58, last paragraph)				
24. Are the nature and basis of Loans Receivable described in a footnote disclosure? (OMB 94-01C, exhibit 1, note 1I, p. 4)				
25. Are loan amounts broken out by group (pre-1992 and post-1991), cohort, or risk category, and disclosed in a note to the financial statements? (SFFAS 2, ¶21; OMB 94-01C, note 7A, pp. 52 & 57)				
26. Do the footnotes provide relevant and appropriate information related to direct loans and loan guarantees, such as, for example, face value of guaranteed loans, amount of lending authority, and commitments? (OMB 94-01C, note 7J, p. 60. ¶1)				

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	Yes	No	N/A	Remarks and Findings
27. For post-1991 direct loans, are the components of the present value (i.e., principal, interest, estimated net value of foreclosed property, and allowance for subsidy costs) disclosed? (OMB 94-01C, note 7C, pp. 54 & 57)				
28. When post-1991 guaranteed loans go into default, are the present values and basis of estimated net cash flows related to the defaulted loans disclosed? (OMB 94-01C, pp. 54 & 58)				
29. Are the following components of the present values of the estimated net cash flows from defaulted loans disclosed: (OMB 94-01C, note 7E, pp. 54 & 58, & 7I) a. Loan program gross amounts? b. Interest receivable? c. Estimated net value of foreclosed property? d. Allowance for subsidy costs? e. Basis for estimates?				
30. Are estimated subsidy costs (and offsetting receipts) broken out separately among: (SFFAS 2, ¶25; OMB 94-01C, notes 7G1 & G3, pp. 52, 55 & 59) a. Interest subsidy cost? b. The present value of estimated default costs net of recoveries? c. The present value of other costs and other collections?				
31. Is the portion of the subsidy expense resulting from reestimates included in the financial statements but not budgeted for until a subsequent year disclosed in a note to the				

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	Yes	No	N/A	Remarks and Findings
financial statements? (OMB 94-01C, note 7J, p. 60, ¶2)				
32. Are pre-1992 direct loans reported net of an allowance for uncollectible loans and interest? (OMB 94-01C, note 7B, pp. 53 & 57)				
33. For pre-1992 direct loans, are the following components disclosed: (OMB 94-01C, note 7B, pp. 53, & 57)				
a. Gross amount of loans?				
b. Allowance for estimated uncollectible loans and interest?				
c. Estimated net value of foreclosed property?				
d. Basis for estimates?				
34. When pre-1992 guaranteed loans go into default, are the net values of assets related to the defaulted loans disclosed in a note to the financial statements? (OMB 94-01C, note 7D, pp. 54 & 57 & note 7I)				
35. Is the face value of guaranteed loans outstanding and amount guaranteed disclosed by program? (SFFAS 2, ¶23; OMB 94-01C, note 7F pp. 55 & 58)				
36. Are estimated subsidy costs (and offsetting receipts) for the guaranteed loans disbursed during the reporting period broken out among: (SFFAS 2, ¶25; OMB 94-01C, notes 7H1 & H3, pp. 52, 56, & 59)				
a. Interest subsidy cost?				
b. Default cost (net of recoveries)?				
c. Other costs?				
d. Offsetting fees and other collections?				

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	Yes	No	N/A	Remarks and Findings
37. Is the face value of pre-1992 guaranteed loans outstanding and amount guaranteed disclosed by program? (SFFAS 2, ¶39; OMB 94-01C, note 7F, pp. 55 & 58)				
38. Has accrued interest, including amortized interest, been recognized as interest income? (SFFAS 2, ¶37)				
39. Has interest due from the Treasury on uninvested funds been recognized as interest income? (SFFAS 2, ¶37)				
40. Has interest accrued on debt to the Treasury been recognized as interest expense? (SFFAS 2, ¶37)				
41. Have administrative costs (such as salaries, legal fees, servicing, etc.), incurred in support of direct loan and guaranteed loan programs been recognized by individual loan programs? (OMB 94-01C, note 7I, p. 60)				
42. Is Inventory reported as an asset? (SFFAS 3, ¶17; OMB 94-01C, p. 3 item 1d & p. 18, item d)				
43. Is Inventory categorized as (a) Inventory held for sale, (b) Inventory held in reserve for future sale, (c) excess, obsolete, and unserviceable Inventory, and (d) Inventory held for repair? (SFFAS 3, ¶¶18 & 35; OMB 94- 01C, p. 60, note 8)				
44. Is the composition of Inventory described in a note to the financial statements? (SFFAS 3, ¶35; OMB 94-01C, exhibit 1, note 1J, p. 4)				
45. Is Inventory valued at either historical cost or latest acquisition cost and is the valuation method disclosed? (SFFAS 3, ¶20 & 35; OMB 94-01C, p. 60, note 8)				
46. Are the historical cost flow assumptions (such as FIFO) disclosed? (SFFAS 3, ¶22 & 35)				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
47. Is Inventory held in reserve for future sale either reported or disclosed separately? (SFFAS 3, ¶27)				
48. Is the basis for determining excess, obsolete, or unserviceable inventory disclosed? (SFFAS 3, ¶31)				
49. Is the criteria for identifying which category Inventory is assigned, restriction on its sale, and the changes in accounting methods, if any, disclosed? (SFFAS 3, ¶35; OMB 94-01C, p. 60 note 8)				
50. Are Operating Materials and Supplies reported as an asset when acquired (using the consumption method of accounting)? (SFFAS 3, ¶¶36 & 38; OMB 94-01C, p. 18, item 1e)				
51. Are Operating Materials and Supplies categorized as (a) held for use, (b) held in reserve for future use, and (c) excess, obsolete, or unserviceable? (SFFAS 3, ¶37)				
52. Are the following items related to Operating Materials and Supplies disclosed: (SFFAS 3, ¶50; OMB 94-01C, p. 61, note 9)				
a. General composition?				
b. Balances in each category?				
c. Change in accounting methods?				
d. Basis for valuation?				
e. Restrictions, if any?				
f. Criteria for identifying each category?				
53. Are Stockpile Materials recognized and reported as assets when acquired? (SFFAS 3, ¶51 & 52; OMB 94-01C, p. 18, item 1f)				
54. Are Stockpile Materials valued at historical cost with the cost flow method (such as FIFO)				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
disclosed? (SFFAS 3, ¶53 & 56; OMB 94-01C, p. 61, note 10)				
55. Are the following items related to Stockpile Materials disclosed: (SFFAS 3, ¶56; OMB 94-01C, p. 61, note 10)				
a. General composition?				
b. Changes in accounting methods?				
c. Restrictions?				
d. Criteria for categorizing materials for sale?				
56. Is post-1991 Foreclosed Property valued at the net present value of projected cash flows associated with the property? (SFFAS 3, ¶79 & 81; OMB 94-01C, p. 54, items D & E)				
57. Is pre-1992 Foreclosed Property reported at cost and adjusted to the lower of cost or net realizable value; the difference being reported in a valuation allowance account? (SFFAS 3, ¶81)				
58. Are the following items related to Foreclosed Property disclosed: (SFFAS 3, ¶91; OMB 94-01C, p. 58, note 7, item I)				
a. Balances by categories?				
b. Valuation method(s)?				
c. Changes in accounting?				
d. Restrictions?				
e. Number of properties held and the average holding period by category?				
f. Number of properties for which foreclosure proceedings are in process?				
59. Are the following items related to Commodities disclosed: (SFFAS 3, ¶109; OMB 94-01C, p. 63, note 13)				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
a. Valuation method(s)?				
b. Changes in accounting?				
c. Restrictions?				
d. An analysis showing the changes for commodities occurring during the period?				
e. Dollar value and volume of purchase agreement commitments?				
60. Are items of Property, Plant, and Equipment separately disclosed in the following categories, if material: (OMB 94-01C, p. 19, item 1j & note 14, p. 64)				
a. Land?				
b. Structures, Facilities, and Leasehold Improvements?				
c. Military Equipment?				
d. ADP Software?				
e. Equipment?				
f. Assets Under Capital Lease?				
g. Natural Resources?				
h. Construction in Process?				
i. Other?				
61. For each category of Property, Plant, and Equipment, are the following items disclosed: (OMB 94-01C, p. 19, item 1j & note 14, p. 64 & exhibit 1, note 1L, p. 5)				
a. Capitalization policy?				
b. Depreciation method?				
c. Service life?				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
d. Acquisition value?				
e. Accumulated depreciation?				
f. Net book value?				
62. Are Property, Plant, and Equipment and Capital Leases described in a footnote? (OMB 94-01C, exhibit 1, note 1L, p. 5)				
63. If the reporting entity is the lessee, are the following items under capital leases disclosed in a note to the financial statements: (OMB 94-01C, p. 71, note 17)				
a. The value of land and buildings leased?				
b. The value of machinery and equipment leased?				
c. Value of other assets?				
d. Total accumulated amortization?				
e. Description of the leases?				
f. Under the three categories of assets leased above, the future payments due for:				
(1) each of the next 5 years?				
(2) all years after 5 years (one figure)?				
(3) total payments?				
g. Under the three categories of assets leased above, subtracted from total payments:				
(1) imputed interest				
(2) executory costs to yield a total capital lease liability?				
h. The portion of the total capital lease liability both funded with budgetary resources and unfunded?				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
64. If the reporting entity is the lessee, are (1) descriptions of operating leases and (2) the amounts of payments expected for each of the following 5 years and all years after 5 years (one figure) disclosed in the footnotes? (OMB 94-01C, p. 71, note 17)				
65. If the reporting entity is the lessor, are the following items disclosed for both capital and operating leases: (OMB 94-01, p. 71, note 17)				
a. Description of the lease agreements?				
b. Amount of projected cash receipts for each of the next 5 years under three categories: (1) land and buildings, (2) machinery and equipment, and (3) other assets?				
c. Amount of projected cash receipts for all years after 5 years (one figure) under three categories: (1) land and buildings, (2) machinery and equipment, and (3) other assets?				
66. Is the nature and extent of items of Property, Plant, and Equipment reported at zero amount (such as public domain lands) disclosed? (OMB 94-01C, p. 19, item 1j & note 14, p. 64)				
67. Are restrictions as to the use or convertibility of Property, Plant, and Equipment disclosed? (OMB 94-01C, p. 19, item 1j & note 14, p. 64)				
68. Is the accounting treatment for prepaid amounts and deferred charges disclosed? (OMB 94-01C, exhibit 1, note 1M, p. 5)				
69. Are the main components of Other Assets broken out and described in a note to the financial statements? (OMB 94-01C, pp. 50 & 51, note 6)				
70. Are Accounts Payable owed to other federal agencies reported separately from those owed to the public? (SFFAS 1, ¶76, OMB 94-01C, p. 5, items 4a(1), 4b(1), 5a(1), & 5b(1))				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
71. Are Accounts Payable covered by budgetary resources reported separately from those not covered by budgetary resources? (SFFAS 1, ¶80; OMB 94-01C, p. 23, item 4b(1) & p. 25, item 5a(1))				
72. Is Interest Payable to federal entities reported separately from Interest Payable to the public? (SFFAS 1, ¶82; OMB 94-01C, pp. 22 & 23, items 4b(2) & 4b(2))				
73. Is Interest Payable covered by budgetary resources reported separately from Interest Payable not covered by budgetary resources? (OMB 94-01C, p. 22 & 23, items 4a(2) & 4b(2))				
74. Are the accrued liabilities and their funding status described in a note to the financial statements? (OMB 94-01C, exhibit 1, note 1N, p. 5)				
75. Are advances and prepayments (revenues received in advance of being earned) reported as a current liability? (SFFAS 1, ¶85)				
76. Are Other Current Liabilities due to federal entities reported separately from those due to employees and the public? (SFFAS 1, ¶85; OMB 94-01C, p. 22, item 4a(4), p. 27, item 5b(5), p. 68, note 16A, & p. 69, note 16C)				
77. Are the amounts of Current Liabilities covered by budgetary resources and not covered by budgetary resources separately disclosed? (SFFAS 1, ¶86; OMB 94-01C, p. 22, item 4a(4), p. 27, item 5b(5), p. 68, note 16A, & p. 69, note 16C)				
78. Does the amount of intragovernmental debt include the following three categories: (1) borrowing from the Treasury, (2) borrowing from the Federal Financing Bank, and (3) borrowing from other federal entities? (OMB 94-01C, note 15, p. 66)				
79. Are the following items related to intragovernmental debt and agency debt				

Financial Statement Presentation and Disclosure Checklist

		Yes	No	N/A	Remarks and Findings
(issued by agencies such as TVA bonds and FHA debentures) disclosed in a note to the financial statements: (OMB 94-01C, note 15, p. 66)					
a. Beginning balance?					
b. New borrowings?					
c. Repayments?					
d. Ending balance?					
e. Refinancing?					
80.	Are the following three items related to agency debt (issued by agencies such as TVA bonds) not covered by budgetary resources disclosed: (OMB 94-01C, note 15, p. 66)				
a. Held by government accounts?					
b. Held by the public?					
c. Total agency debt?					
81.	Is the following information related to debt disclosed: (OMB 94-01C, note 15, p. 67)				
a. Maturity dates?					
b. Redemption and call features?					
c. Stated interest?					
82.	Are repayment terms and interest payable, related to borrowings from the Treasury described in a note to the financial statements? (OMB 94-01C, exhibit 1, note 1P, p. 6)				
83.	Are the terms and funding source of employee retirement plans administered by the agency disclosed? (OMB 94-01C, exhibit 1, note 1S, pp. 6 & 7)				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
<p>84. Are the following examples of liabilities reported under other liabilities: (OMB 94-01C, p. 24, item 4b(6), & p. 27, item 5b(5))</p> <p>a. Accrued entitlement benefits?</p> <p>b. Noncurrent advances and prepayments received?</p> <p>c. Employees accrued annual leave?</p> <p>d. Deposit fund amounts held in escrow?</p> <p>e. Commitments and contingencies for which estimated losses have occurred and future payments are to be made, such as from (1) Insurance losses, (2) Indemnity agreements, (3) Adjudicated claims, and (4) Commitments to international financial institutions? (OMB 94-01C, p. 24, item 4b(6), & p. 27, item 5b(5))</p>				
<p>85. Is the following information about "other liabilities" disclosed in a note to the financial statements, if applicable: (OMB 94- 01C, note 16, pp. 68 & 69)</p> <p>a. Liabilities covered by budgetary resources?</p> <p>b. Liabilities not covered by budgetary resources?</p> <p>c. Intragovernmental liabilities?</p> <p>d. Liabilities due to those outside the federal government?</p> <p>e. Current and noncurrent portions of liabilities?</p>				
<p>86. Is the method for computing, recording, and funding annual, sick, and other leave described? (OMB 94-01C, exhibit 1, note 1R, p. 6)</p>				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
<p>87. Is the following information about Net Position disclosed in a note to the financial statements: (OMB 94-01C, p. 28, item 7, & p. 78, note 19)</p> <p>a. Unexpended Appropriations:</p> <p>(1) Unobligated --Available?</p> <p>(2) Unobligated--Unavailable?</p> <p>(3) Undelivered Orders/Obligations?</p> <p>b. Invested Capital?</p> <p>c. Cumulative Results of Operations?</p> <p>d. Other?</p> <p>e. Future Funding Requirements?</p> <p>f. Total (of the above five items)?</p>				
<p>88. Are the totals of each of the above five items in the preceding question divided among (1) Revolving Funds, (2) Trust Funds, and (3) Appropriated Funds?</p>				
<p><u>Statement of Operations and Changes in Net Position</u></p>				
<p>89. Does the Statement of Operations (and Changes in Net Position) report the results of operations, including: (1) revenues and financing sources, (2) expenses, (3) the difference between the two, and (4) the resulting change in net position? (OMB 94-01B, p. 3 & app. C, p. 6)</p>				
<p>90. Does reported Appropriated Capital Used also include, if applicable: (OMB 94-01C, p. 30, item 1)</p> <p>a. Unfunded prior period expenses funded with current period appropriations?</p> <p>b. Depreciation of fixed assets purchased in prior periods?</p>				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
c. Consumption of inventory purchased in prior periods?				
d. Accrued and actual losses on inventory write-downs?				
e. Bad debt expense related to long-term loans receivable and related interest on pre-1992 loans?				
91. Are revenues arising from the sale of goods or services broken out between sales to the public and other governmental agencies? (OMB 94-01C, p. 30, items 2a & 2b)				
92. Are revenues and other financing sources described in a note to the financial statements? (OMB 94-01C, exhibit 1, note 1E, p. 3)				
93. Are revenues earned from nonfederal interest and penalties reported? (OMB 94-01C, p. 30, item 2a)				
94. Is the nature and amount of other revenues and financing sources disclosed in a note to the financial statements? (OMB 94-01C, p. 80, note 21)				
95. Are total revenues and financing sources less "Taxes and Receipts Returned to the Treasury" reported? (OMB 94-01C, p. 31, item 8)				
96. Are expenses incurred in conducting the normal activities of the department or agency reported and classified either by program or major object class in a note to the financial statement? (OMB 94-01C, p. 31, item 9 & note 22, p. 81)				
97. Are expenditures for capitalized assets, interest, cost of goods sold, and "other" expenses separately reported? (OMB 94-01C, p. 31 item 9 & p. 81, note 22)				
98. Are expenditures applicable to the cost of goods sold, including the carrying value of				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
commodities sold from stock, separately reported? (OMB 94-01C, p. 81, note 22)				
99. Are expenditures applicable to the cost of goods sold to the public and other federal entities separately disclosed? (OMB 94-01C, p. 81, items 10a & 10b)				
100. Are depreciation and amortization costs separately reported, if material? (OMB 94-01C, p. 31, item 11)				
101. Are estimated or actual amounts of receivables determined to be uncollectible during the accounting period separately reported, if material? (OMB 94-01C, p. 31, item 12)				
102. Are write-downs for inventory shortages or obsolescence, and write-offs of fixed assets reported separately, if material? (OMB 94-01C, p. 31, item 12)				
103. If the financial statement is for a loan program, are write-offs and related expenses reported under "program or operating expenses?" (OMB 94-01C, p. 31, item 12)				
104. Is interest expense for agency borrowings from the Treasury, interest on agency debt issued under special agency authority, and other interest expense separately reported? (OMB 94-01C, p. 31, item 13)				
105. Is the nature and amount of "any significant other expenses" not included under previous captions disclosed in a note to the financial statements? (OMB 94-01C, p. 32 item 14 & note 23, p. 82)				
106. Is the excess or shortage of revenues and financing sources over total expenses before adjustments reported? (OMB 94-01C, p. 32, item 16)				
107. Are the nature and amount of the extraordinary items disclosed? (OMB 94-01C, p. 32 item 17 & note 24, p. 82)				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
108. Is the excess or shortage of revenues and financing sources over total expenses after extraordinary items reported? (OMB 94-01C, p. 32, item 18)				
109. Is the "net position, beginning balance" reported? (OMB 94-01C, p. 32, item 19)				
110. Is the previously stated "excess or shortage of revenues and financing sources over total expenses after extraordinary items" reported just below "net position, beginning balance, as restated?" (OMB 94-01C, p. 32, item 22)				
111. Does the reported "net position, ending balance" equal the ending net position balance reported on the statement of financial position? (OMB 94-01C, p. 33 item 24)				
<u>Statement of Cash Flows</u>				
Beginning with FY 1997, this statement is optional. For 1995 and 1996, agencies may have received waivers from OMB. The statement can be prepared on either the direct or indirect method. The items below will indicate whether they pertain to the direct (D) , indirect (I) , or both (B) .				
112. In the Direct Method, is the Statement of Cash Flows divided into the following five parts? (OMB 94-01C, pp. 7 & 8) (D)				
a. Cash Provided (Used) By Operating Activities.				
b. Cash Provided (Used) By Investing Activities.				
c. Cash Provided (Used) by Financing Activities.				
d. Reconciliation of Excess (Shortage) of Revenues and Financing Sources over Total Expenses.				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
e. Supplemental Schedule of Financing and Investing Activity.				
113. Under the Indirect Method is the Statement of Cash Flows divided into the following five parts? (OMB 94-01C, pp. 10 & 11) (I)				
a. Cash Flows From Operating Activities.				
b. Cash Flows From Investing Activities.				
c. Cash Flows From Financing Activities.				
d. Supplemental Disclosure of Cash Flow Information.				
e. Supplemental Schedule of Financing and Investing Activity.				
114. Is the "Cash Provided (Used) By Operating Activities" part divided into two segments: "Cash Provided By" and "Cash Used For?" (OMB 94-01C, p. 7) (D)				
115. Does the "Cash Provided By" segment include cash collections in the following line items in the statement: (OMB 94-01C, p. 7) (B)				
a. Tax collections? (OMB 94-01C, p. 34, item 17)				
b. Sales of goods and services? (OMB 94-01C, p. 34, item 2)				
c. Interest and penalties? (OMB 94-01C, p. 34, item 3)				
d. Benefit programs? (OMB 94-01C, p. 34, item 4)				
e. Insurance and guarantee programs? (OMB 94-01C, p. 34, item 5)				
f. Other? (OMB 94-01C, p. 34, item 6)				
g. Total cash provided? (OMB 94-01C, p. 34, item 7)				

Financial Statement Presentation and Disclosure Checklist

		Yes	No	N/A	Remarks and Findings
116.	<p>Does the "Cash Used For" segment include cash disbursed for the following line items in the statement? (OMB 94-01C, p. 7) (B)</p> <p>a. Interest? (OMB 94-01C, p. 34, item 8)</p> <p>b. Personnel services and benefits? (OMB 94-01C, p. 34, item 9)</p> <p>c. Travel and transportation? (OMB 94-01C, p. 34, item 10)</p> <p>d. Rent, communications, and utilities? (OMB 94-01C, p. 34, item 11)</p> <p>e. Printing and reproduction? (OMB 94-01C, p. 34, item 12)</p> <p>f. Other contractual services? (OMB 94-01C, p. 34, item 13)</p> <p>g. Supplies and materials? (OMB 94-01C, p. 34, item 14)</p> <p>h. Insurance claims and indemnities? (OMB 94-01C, p. 34, item 15)</p> <p>i. Grants, subsidies, and contributions? (OMB 94-01C, p. 35, item 16)</p> <p>j. Other? (OMB 94-01C, p. 35, item 17)</p> <p>k. Total cash used? (OMB 94-01C, p. 35, item 18)</p>				
117.	<p>Is the net amount of cash (the difference between cash provided and cash used in operating activities) reported as a line item in the statement? (OMB 94-01C, p. 35, item 19) (B)</p>				
118.	<p>Does the "Cash Provided (Used) by Investing Activities" part include the net cash proceeds or disbursements under the following categories: (OMB 94-01C, p. 7) (B)</p>				

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	Yes	No	N/A	Remarks and Findings
a. Sale of property, plant, and equipment? (OMB 94-01C, p. 35, item 20)				
b. Purchase of property, plant, and equipment? (OMB 94-01C, p. 35, item 21)				
c. Sale of debt and equity securities? (OMB 94-01C, p. 35, item 22)				
d. Purchase of debt and equity securities? (OMB 94-01C, p. 35, items 23 & 25)				
e. Collection of loans receivable? (OMB 94- 01C, p. 35, item 24)				
f. Creation of loans receivable? (OMB 94- 01C, p. 35, item 25)				
g. Other investing activities? (OMB 94-01C, p. 35, item 26)				
119. Is the net amount of cash provided or (used) by investing activities shown in the statement? (OMB 94-01C, p. 35, item 19) (B)				
120. Does the "Cash Provided (Used) by Financing Activities" segment of the statement show a line item, "Appropriations Received Net of Recisions," which includes the following additional line items: (OMB 94-01C, p. 8) (B)				
a. additions for amounts restored by Treasury? (OMB 94-01C, p. 35, item 29a)				
b. additions for amounts of cash transferred from other federal sources? (OMB 94-01C, p. 36, item 29b)				
c. deductions for amounts of unobligated appropriations withdrawn by the Treasury? (OMB 94-01C, p. 35, item 30a)				
d. deductions for amounts of cash transfers to other federal agencies? (OMB 94-01C, p. 36, item 30b)				

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	Yes	No	N/A	Remarks and Findings
e. the net changes of items a-d above? (OMB 94-01C, p. 36, item 31) a-d above? (OMB 94-01C, p. 36, item 31)				
121. Does this segment of the statement show the following additional line items: (OMB 94-01C, p. 8) (B)				
a. Borrowing from the public (cash amounts received)? (OMB 94-01C, p. 36, item 32)				
b. Repayment on loans to the public: cash amounts disbursed to liquidate all Treasury (or entity) debt held by the public? (OMB 94-01C, p. 36, item 33)				
c. Borrowing from the Treasury and Federal Financing Bank: cash amounts received from such borrowings? (OMB 94-01C, p. 36, item 34)				
d. Repayments of loans from the Treasury and the Federal Financing Bank: amounts disbursed to liquidate such loans? (OMB 94-01C, p. 36, item 35)				
e. Other borrowings and repayments: amounts of other cash collections or disbursements associated with the financing activities of the entity? (OMB 94-01C, p. 36, item 36)				
f. Net cash provided (used) by financing activities (the difference between sources and uses under this part)? (OMB 94-01C, p. 36, item 37)				
122. Is the net amount of cash provided or (used) in all three parts (operating, investing, and financing activities) reported in a single line item? (OMB 94-01C, p. 36, item 38) (B)				
123. Is the sum of the fund balances with Treasury, cash, and foreign currency at the beginning of the fiscal year reported below the net amount from the previous question? (OMB 94-01C, p. 36, item 39) (B)				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
<p>124. Is the sum of net amount of cash provided (used) by operating, investing, and financing activities either</p> <p>a. added to the fund balances with Treasury, cash, and foreign currency at the beginning of the fiscal year if the net amount is provided or</p> <p>b. subtracted from the fund balances with Treasury, cash, and foreign currency at the beginning of the fiscal year if the net amount is used</p> <p>to arrive at a bottom line item called "Fund Balances with Treasury, Cash, and Foreign Currency, Ending?" (OMB 94-01C, p. 36, item 40) (B)</p>				
<p>125. Does this "Fund Balances with Treasury, Cash, and Foreign Currency, Ending" agree with the same amount reported in the current year's Statement of Financial Position? (OMB 94-01C, p. 36, item 40) (B)</p>				
<p>126. Does the Reconciliation part of the Statement of Cash Flows begin with the line item, "Excess (Shortage) of Revenues and Financing Sources over Total Expenses" as reported in the Statement of Operations and Changes in Net Position? (OMB 94-01C, p. 32, item 18 p. 36, item 41) (D)</p>				
<p>127. Are the following 10 line items reported as adjustments to "Excess (Shortage) of Revenue and Financing Sources Over Total Expenses" to arrive at "Net Cash Provided (Used) by Operating Activities?" (OMB 94-01C, p. 9 & p. 37, item 52) (D)</p> <p>a. Appropriated Capital Used (reported as a reduction of cash provided by operating activities)? (OMB 94-01C, p. 30, item 1, & p. 37, item 42)</p> <p>b. Decrease (Increase) in Accounts Receivable (OMB 94-01C, p. 37, item 43)</p>				

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	Yes	No	N/A	Remarks and Findings
c. Decrease (Increase) in Loans Receivable (OMB 94-01C, p. 37, item 44)				
d. Decrease (Increase) in Other Assets (OMB 94-01C, p. 37, item 45)				
e. Increase (Decrease) in Accounts Payable (OMB 94-01C, p. 37, item 46)				
f. Increase (Decrease) in Other Liabilities (OMB 94-01C, p. 37, item 47)				
g. Depreciation and amortization expenses for the period? (OMB 94-01C, p. 37, item 48)				
h. Other unfunded expenses, including bad debts and write-offs, annual leave, and other amounts not requiring a cash outlay during the fiscal year? (OMB 94-01C, p. 37, item 49)				
i. Other adjustments consisting of the net of the period's cash transfer transactions, prior period adjustments, and extraordinary items? (OMB 94-01C, pp. 32 & 33, items 20 & 23; notes 24 & 25, pp. 82 & 83; & p. 37, item 50)				
128. Is the amount of interest paid during the fiscal year net of amounts capitalized disclosed in a separate line item under this section? (OMB 94-01C, p. 41, item 33) (I)				
129. Is supplemental information concerning investing and financing activities that affect liabilities, but do not result in cash receipts or disbursements, shown separately on the Statement of Cash Flows? (OMB 94-01C, p. 38, top) (B)				
130. Are the monetary amounts and terms of property and equipment acquired under capital leases, that did not result in cash payments, disclosed on a separate line item entitled, "Property and Equipment Acquired Under				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
Capital Lease Obligations?" (OMB 94-01C, p. 38, item 53) (B)				
131. Are the monetary amounts and terms of property acquired under long-term financing arrangements, that did not result in cash payments shown on a separate line item entitled, "Property Acquired Under Long-term Financing Arrangements?" (OMB 94-01C, p. 38, item 54) (B)				
132. Are the amounts and terms of exchanges of noncash assets or liabilities, not specifically identified above, shown on a separate line item entitled, "Other Exchanges of Noncash Assets or Liabilities?" (OMB 94-01C, p. 38, item 55) (B)				
<u>Statement of Budgetary Resources and Actual Expenses</u>				
This statement is optional for beginning with FY97 financial statements and may be waived for FY 95 and 96 financial statements.				
133. Is the Statement of Budgetary Resources and Actual Expenses divided into two major sections, budgetary resources by programs and budget reconciliation? (OMB 94-01C, p. 12)				
134. For each program, functional activity, or organizational component, are the following items shown: (OMB 94-01C, p. 12) a. Budgetary resources? b. Direct obligations? c. Reimbursed obligations? d. Actual expenses?				
135. Do budgetary resources include: new budgetary authority, available unobligated balances, reimbursements, recoveries of prior				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
year obligations, and restorations? (OMB 94-01C, p. 43)				
136. Do "budget obligations, direct" include: amounts of orders placed, contracts awarded, services received, and similar transactions, which will result in outlays against budget authority? (OMB 94-01C, p. 43)				
137. Are the amounts for orders placed, contracts awarded, services received, and similar transactions incurred against authority, which have been earned through the performance of services or sale of goods to others, summarized under "budget obligations, reimbursed?" (OMB 94-01C, p. 43)				
138. Does the total of Actual Expenses broken out by program, functional activities, or organizational components agree with total expenses in the Statement of Operations and Net Position? (OMB 94-01C, p. 43)				
139. Does the total of Actual Expenses broken out by program, functional activities, or organizational components agree with total expenses in the Statement of Operations and Net Position? (OMB 94-01C, p. 43)				
140. Are the following three budget resources expended, but not included in total Actual Expenses in the Statement of Operations and Changes in Net Position, added to Actual Expenses in the Statement? (OMB 94-01C, pp. 43 & 44)				
a. Capital acquisitions: the acquisition costs of assets purchased and capitalized during the period.				
b. Loans disbursed: the present value of loans that were issued from current period appropriations and recorded as receivables.				
c. Other expended budget authority for other items capitalized but not expensed.				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
<p>141. Are the following three types of expenses not covered by budgetary authority deducted from Actual Expenses in the Statement? (OMB 94-01C, p. 44)</p> <p>a. Depreciation and amortization costs of capitalized assets.</p> <p>b. Accrued annual leave expenses.</p> <p>c. Other unfunded expenses not included in a or b above.</p>				
<p>142. Are net revenues from revolving funds, trust funds, and reimbursable agreements deducted from total program operating expenses (Actual Expenses)? (OMB 94-01C, p. 44)</p>				
<p>143. Does the Statement of Budgetary Resources and Actual Expenses provide a comparison and a reconciliation between: (1) amounts shown on the Report on Budget Execution and the Report on Execution (SF-133 and SF-143, respectively) and (2) the related expenses reported on the entity's Statement of Operations? (OMB 94-01B, p. 3)</p>				
<p><u>Notes to the Financial Statements</u></p>				
<p>Review questions for most required footnote disclosures are included along with the related financial statement line item. This section includes items related to required disclosures regarding significant accounting policies.</p>				
<p>144. Is a general statement made as to the overall basis of financial statement preparation citing any one of the following four bases? (OMB 94-01 Attachment, p.6 & exhibit 1, note 1A, p. 1)</p> <p>a. SFFAS recommended by FASAB and approved by the principals of the Joint Financial Management Improvement Program.</p> <p>b. OMB Bulletin 94-01.</p>				

Financial Statement Presentation and Disclosure Checklist

	Yes	No	N/A	Remarks and Findings
c. Standards contained in agency accounting policies, procedures manuals, and related guidance as of March 29, 1991, so long as they are prevalent practices. (For example, Title 2 of the GAO Policies and Procedures Manual.)				
d. Accounting principles published by authoritative standard-setting bodies.				
145. Has the entity described its mission and basic organizational components? (OMB 94-01C, exhibit 1, note 1 B, pp. 1 & 2)				
146. Does the entity describe its basis of accounting, such as the "accrual method?" (OMB 94-01C, exhibit 1, note 1D, p. 3)				
147. Does the entity list and describe its budgetary accounts? (OMB 94-01C, exhibit 1, note 1 C, p. 2)				